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A Message from the Chairman, Lieutenant Governor Charles J. Fogarty

I am pleased to submit the 2001 annual report of the Small Business Advocacy Council.

As Lieutenant Governor I am proud to serve as Chairman of the Small Business Advocacy Council (SBAC). The council has as its goals improvement of government relations with small businesses, providing easily accessible information for business owners, and providing the assistance necessary for small business owners to get started in Rhode Island.

Throughout the year the council has worked to create an effective working relationship with area Chambers of Commerce, other small business advocacy groups, and most importantly, individual small business owners. Together, under the guidance of the SBAC, issues such as affordable health care, access to technical assistance and the monitoring of legislative business initiatives, have been addressed. For more information on the Small Business Advocacy Council, I invite you to visit the Small Business Advocacy Council web site at www.ltgov.state.ri.us/boards.htm.

The Small Business Advocacy Council can be an important asset in helping to foster the development of a stronger small business climate in the state. Working together we can overcome the challenges and create a multi faceted economy at the dawn of the new millenium.

Sincerely,

Charles J. Fogarty

Lieutenant Governor

Chairman, Small Business Advocacy Council

SMALL BUSINESS ADVOCACY COUNCIL

BACKGROUND OF THE

SMALL BUSINESS ADVOCACY COUNCIL

The RI Small Business Advocacy Council was established to bring together leaders from the private and public sectors with the task of addressing the needs of small business owners in the state. The twenty-member council includes elected officials, small business owners, small business advocates and Chamber of Commerce Directors.

CHAIRPERSONS OF THE COUNCIL

1994–1996: Lieutenant Governor Robert Weygand

1996–1998: Lieutenant Governor Bernard A. Jackvony

1999–present: Lieutenant Governor Charles J. Fogarty

SMALL BUSINESS ADVOCACY COUNCIL

(Memberships as of December 31, 2001)

Ex-Officio Members

Name	Representing
The Honorable Charles J. Fogarty	Office of the Lieutenant Governor
The Honorable Paul J. Tavares Designee: Gary Bliss	Office of the General Treasurer
The Honorable Edward Inman, III Designee: Paul Caranci	Office of the Secretary of State
Senator Marc Cote	Chairman, Joint Committee On Small Business
Representative Thomas J. Winfield	Vice Chairman, Joint Committee On Small Business
Tom Shumpert, Director Designee: Janet Pichardo	Economic Development Corporation
Dr. Lee H. Arnold Designee: Christine Greico	Department of Labor and Training

The Governor's Appointments

Name	Representing
Curtis Spence	Public Member

Mark Pearson	Public Member
Anthony Philips	Governor's staff

The Lieutenant Governor's Appointments

Name	Representing
Joshua Miller	Public Member
Janet White	Public Member
Raymond Fogarty	Business related department of higher educational institution

The Speaker's Appointments

Name	Representing
Rep. Joan B. Quick	Jt. Committee On Small Business, Minority Member
Herbert Wiess	Public Member

The Senate Majority Leader's Appointments

Name	Representing
John Gregory	Public Member
Jerry Lewis	Public Member

The Secretary of the State's Appointments

Name	Representing
Tim Reinke	Public Member

The General Treasurer's Appointments

Name	Representing
Joan Gray	Public Member

Section 1.

2001 THE SMALL BUSINESS ADVOCACY COUNCIL REPORT

The Small Business Advocacy Council works in the following areas to accomplish its mission: the development and support of legislative initiatives; public information and education and minority issues. During 2001 the full Council held four meetings on the following dates. The Council also sponsored two educational forums.

May 8

June 25

September 27

December
17

Copies of all Council meetings are maintained in the office of the Lt. Governor. A summary of the Council's 2001 activities in each of the major areas of its work follows.

I. LEGISLATION.

During the 2001 legislative session the Council took on the role of informing its members of the status of numerous pieces of legislation that had potential effects on small businesses in the state. The Council put together a legislative tracker to update and brief its members of the status of the legislative proposals. In addition, the Council, with the assistance of the Northern RI Chamber of Commerce, provided a brief summary of each targeted legislative proposal and distributed it among the

members.

II. PUBLIC INFORMATION AND EDUCATION

At the four meetings held by the Council, various speakers and presentations were scheduled to inform the members of some of the issues and programs affecting the small business community. Listed below are the presentations put forth before the council during each 2001 meeting. Specific information on topics discussed at council meetings is available in the Office of the Lieutenant Governor.

February 4th

- *Kate Brewster, Department of Human Services, Manager, Employee Contact Unit*

" Frequently Asked Questions by Employers about Rite Share"

Ms. Brewster discussed the Rite Share program and how small business owners could benefit in the public/private partnership that helps low-income employees participate in their company's health insurance plan. Ms. Brewster gave an overview of the Rite Share program. She discussed eligibility, employer benefits, how employers participate in the program and frequently asked questions by employers about Rite Share. For more information on this presentation, please visit

<http://www.dhs.state.ri.us/dhs/drishar.htm> .

June 25th

- *The Verizon Telecommunications Center Presents: **Small Business and the World Wide Web***

A group of student employees from the Verizon Telecommunications Center, under the directorship of Stacie Brigido, made a presentation entitled *Small Business and the World Wide Web: eCommerce and eBusiness Management Solutions*. The Center has a unique partnership with Bryant and the Small Business Development Center that allows them to reach a broad base of small businesses. The students addressed the current trends of eCommerce and eBusiness globally and in the State of Rhode Island. The presentation gave an overview of how the Verizon Telecommunications Center can help small businesses compete in

the World Wide Web environment. The presentation included case studies on specific sites that the Verizon Center has helped to design as well as a report on the success of these companies through the Internet. For more information on this presentation please visit <http://web.bryant.edu/~verizon/>.

September 27th

- *Carol Malysz, Center for Women and Enterprise, **Achieving Self-Sufficiency Through Entrepreneurship***

Carol Malysz, Director, Center for Women and Enterprise, gave a presentation on how the Center for Women and Enterprise can empower women to grow their business via access to capital, support networking and the utilization of business advocacy groups. Ms. Malysz discussed the key statistics of women in the business world, women-owned business challenges and addressing the needs of those challenges. Also, discussed was the history and client base of the organization and the success of the Center in addressing the needs of its base. Rhoda Brown, proprietor of Brown By the Bay Bed and Breakfast in Newport, addressed the group on how the Center for Women and Enterprise was beneficial in her business venture. For more information on this presentation please visit <http://www.cweboston.org/partners.asp>.

December 19th

- *The Small Business Advocacy Council Presents: A Rhode Island Economic Policy Strategy Post September 11th Christopher L. "Kip" Bergstrom, Executive Director, RI Economic Policy Council (sponsored by the East Greenwich, Central Rhode Island, and Pawtuxet Valley Chamber of Commerce.)*

Kip Bergstrom, Executive Director, RI Economic Policy Council, gave a presentation on the RI Economic Policy Council's strategy for the State's Economic growth in light of the September 11th Terrorist attacks. The strategy is based on four themes: Places, People, Clusters and Connections. The underlying principal is that Rhode Island must use its unique strengths to enhance its competitive position in the regional and global economies and that we must guard against the creeping sameness that has sapped the vitality from other communities in their quest for economic success. For more information on this presentation please visit

III. Forums

One of the main objectives of the Small Business Advocacy Council is to foster communication between state government, small business advocacy groups and the small business community. In order to facilitate this objective the SBAC developed and initiated a group of regional forums that allowed for a sharing of information between these groups. The purpose of these seminars is to address topics of concern to the small business community that were developed by the Small Business Advocacy Regional Forum Work Group. The topics included financing, SBA services and marketing. These forums also allowed members of the small business community to avail themselves of information and organizations that may be of assistance to them.

Newport County Regional Forum 4-9-01

Logistics

On Monday April 9, 2001 from 5:30p.m-8 p.m. in Newport at the Newport Marriott, the Small Business Advocacy Council held the Newport County Regional Small Business forum entitled "The Small Business Advocacy Council Presents: *Survival Tips for Today's Small Business.*" The Office of the Lieutenant Governor, The Newport County Chamber of Commerce, RI Small Business Development Center, The Newport Marriott and the US Small Business Administration sponsored the forum.

Informational Exhibits

There were 13 informational exhibits set up to disseminate information to the participants. The informational exhibitors were The Newport County Chamber of Commerce, the US Small Business Administration, Rhode Island Manufacturers Extension Services, The Peoples Credit Union and Citizens Bank.

Presenters

There were three presenters who addressed topics of concern that were identified by the SBAC workgroup. The topics included financing, SBA services, and marketing. Samuel F. Carr, the Rhode Island Small Business Development Center, provided analysis of a multi-faceted approach to small business finance. Mark Hayward, District Director, US Small Business Administration, discussed SBA's Tool Box which provides free access to small business. April Williams McCrory, President of North Star Marketing and Promotion, discussed frugal marketing techniques for cash-strapped, small businesses.

Marketing

The event was marketed through direct mail from Newport Chamber of Commerce, the US Small Business Administration and the Small Business Advocacy Council. There were numerous articles in the Newport Daily News prior to the event. An e-mail newsletter was created for the SBAC web site.

South County Regional Forum 10-25-01

Logistics

On Thursday, October 25, 2001 from 5:30 p.m. -8 in South Kingstown at the Scholar Athlete Hall of Fame the Small Business Advocacy Council held the South County regional small business forum entitled "The Small Business Advocacy Council Presents: *Survival Tips for Today's Small Business*". The Office of the Lieutenant Governor and the South County Chambers of Commerce (South Kingstown, North Kingstown, East Greenwich, Charlestown, Narragansett, and Westerly) sponsored the Forum.

Informational Exhibits

There were 13 informational exhibits that were set up to disseminate information to the participants. The informational exhibitors were Washington Trust Bank, RI Economic Development

Corporation, Secretary of State's First Stop Business Center, Dept. of labor and Training, Center for Women and Enterprise, RI Workforce Development Partnership, RI Manufacturers Extension Services, Verizon Telecommunications Center, US Small Business Administration, East Greenwich Chamber of Commerce, Westerly-Pawcatuck Chamber of Commerce, North Kingstown Chamber of Commerce, and the Department of Human Services Riteshare Program.

Presenters

There were three presenters who addressed topics of concern that were identified by the SBAC workgroup. The topics included financing, SBA services and marketing. Samuel F. Carr, the Rhode Island Small Business Development Center, provided analysis of a multi-faceted approach to small business finance. Mark Hayward, District Director, US Small Business Administration discussed SBA's Tool Box which provides free access to small business. April Williams McCrory, President of North Star Marketing and Promotion, discussed frugal marketing techniques for cash-strapped small businesses.

Marketing

The event was marketed through direct mail from Chambers of Commerce and the Small Business Advocacy Council. There were numerous articles in the South County newspapers prior to the event. An e-mail newsletter was created for the SBAC web site.

Appendix I

STATUTE ESTABLISHING

THE SMALL BUSINESS ADVOCACY COUNCIL

CHAPTER 42-91

§ 42-91-1 Creation of council. — There is created and established a "small business advocacy

council", hereinafter referred to as the "council".

§ 42-91-2 Membership of council. — (a) The council shall consist of twenty (20) members, ten

(10) of whom shall be public members, two (2) to be appointed by the governor, two (2) by the

lieutenant governor, two (2) by the speaker of the house, two (2) by the senate majority leader, one by the secretary of

state, and one by the general treasurer; provided, however, that all of the public members shall be officers, partners, or proprietors of Rhode Island companies that are small businesses as defined by the United States small business administration; one of whom shall be affiliated with a business-related department of a Rhode Island institution of higher learning, to be appointed by the lieutenant governor; one of whom shall be a minority party member of the joint committee on small business, to be appointed by the speaker of the house; one of whom shall be a member of the governor's staff, to be appointed by the governor; and the chairperson of the joint committee on small business, ex officio; the vice-chairperson of the joint committee on small business, ex officio; the director of the department of economic development, or the director's permanent designee, ex officio; the director of the department of labor and training or the director's permanent designee, ex officio; the secretary of state, or the secretary's permanent designee, ex officio; the general treasurer, or the treasurer's permanent designee, ex officio; and the lieutenant governor, ex officio. The lieutenant governor shall serve as chairperson of the council.

(b) One of the public members appointed by each of the appointing authorities shall be appointed to serve until the first day of June, 1987, and the other to serve until the first day of June, 1988; and all members shall serve until their successors are appointed and qualified. In the month of May in any year in which a public member's term of office expires, the respective appointing authorities shall appoint successors to the members whose terms shall expire in that year, to hold office commencing on the first day of June in the year of appointment for a term of three (3) years or until their respective successors are appointed and qualified. Any vacancy of an appointed member, which may occur in the council, shall be filled by appointment by the respective appointing authority for the remainder of the unexpired term. Ex-officio members shall serve until the end of their term of office; the member of the governor's staff shall serve until the end of the governor's term of office.

(c) The council shall meet at the call of the lieutenant governor and shall elect from among

themselves a vice-chairperson, who shall be one of the public

members, and a secretary. The council shall meet at least quarterly during each calendar year.

(d) The membership shall receive no compensation for their services. The council may request,

through the department of economic development, any clerical and technical assistance it may deem necessary to accomplish its purpose.

§ 42-91-3 Purpose and duties. — (a) The purpose of the council shall be to develop those specific

and comprehensive recommendations for executive and legislative action as may be necessary and proper to maintain and encourage the continued viability of small businesses in the state. To enable it to carry out that purpose, the council shall study the following matters and any others it deems appropriate:

(1) The problems and needs of small businesses.

(2) The role of small businesses in creating jobs, and what will assist small businesses in carrying out that role.

§ 42-91-4 Reports. — The council shall serve as a continuing advisory body and shall report its

recommendations to the governor and general assembly from time to time, together with drafts of

legislation necessary to carry out the recommendations; provided, however, that the council shall file an annual report on or before January 30 each year with the governor and the general assembly.